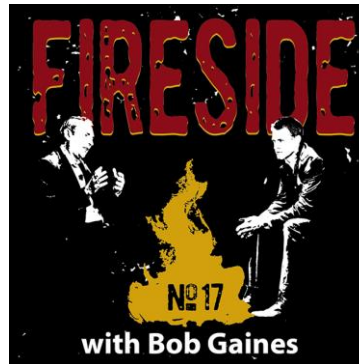


FIRESIDE No. 17 with Bob Gaines

Posted on December 27, 2017 by Blake Leath



" PERSEVERANCE,
COMING OF AGE,
COMPETITION,
GRIT & THE GRIDIRON,
FINDING FATHER FIGURES,
BECOMING PROMOTABLE,
AMERICAN AIRLINES DAYS
WITH BOB CRANDALL,
VISION & MISSION,
ENTREPRENEURSHIP &
PERSONAL OWNERSHIP,
PARENTING &
SOCIAL STYLES,
CORRECTNESS & CULTURE,
THE PENCE RULE,
SURRENDERING TO GOD,
THE MAGNOLIA MIRACLE,
CHIP & JOANNA GAINES,
FOCUS, BALANCE, FAMILY,
AND FINALLY: PERSPECTIVE
& ENCOURAGEMENT
FOR TRYING TIMES"

I'm an organizational sociologist, strategist, writer, and teacher. In my 2007 book, *Cultivating the Strategic Mind*, I explored the transition from leader to visionary, creator, and architect of strategy. Today, I continue studying strategists and leaders but am increasingly haunted by what I see as a dying discipline: professional *management*. Leadership gets the glory, but management gets it done. *Fireside*—a series of ruminative conversations with seasoned management executives reflecting on their life's work—*strives to* distill one's entire career into a few salient responses. I'm sure you'll agree that *work* and *the discipline of management* are great teachers, offering lessons to us all. Together, we shall learn a great deal from our guests, I promise, but perhaps even more about ourselves and our own lives.



Blake Leath: Today's guest is Bob Gaines. I first met Bob 24 years ago, as he was a dear friend of my now late father-in-law. Bob has been a successful college football player, entrepreneur, small business owner, coach, consultant, and trusted corporate executive—first with Joe Brouillette, featured earlier, in *Fireside* interview number one—and eventually for industry titan Bob Crandall, former president and chairman of American Airlines. Along the way, when my wife was in high school, in fact, Bob served as her second boss, at a sporting goods store. He was an instrumental mentor in my own professional development in the late 1990s. Lately though, many know Bob simply as “Chip Gaines’ dad,” as he’s living an absolutely extraordinary fifth quarter, third half, fourth act, as proud Papa of one-half of the dynamic duo behind *Magnolia*, headquartered in Waco, Texas, and HGTV’s five-season hit show, *Fixer Upper*. We’ll get to that, and much more, in our two-hour visit together.



Part One: The Formative Years

Blake Leath: Welcome Bob.

Bob Gaines: Thank you, Blake. It's great to be here with you. Haven't seen you in a while. Looking forward to having a chat with you.

Blake: So, for the purpose of those that are joining us for the first time, you are our 17th interview. We've done several of these, but you're also going to be our *cou de gras*, kind of the end piece here, as we go into the holidays. You and I have a history, but it's been many years since we've seen each other. In terms of explanations, so folks that are joining us for the first time, perhaps, know what Fireside is about, let me just do a brief little primer on that. It really has four origins. One was what I would call provocative client questions. I had a number of questions from late-30-something, early-40-something leaders, who were asking, "How do I make the leap from being a manager to truly a leader?" So that's kind of an interesting thought that got me thinking a little bit about that. And then, I had two unexpected client deaths—clients who have been around for a long time. One died of cancer and one of diabetic-related issues, but they passed away very suddenly, and it startled me. Then, I was visiting with a client who said, "Blake, I only wish that I had learned certain things earlier in my career." And then the fourth and final piece was when I was visiting with a man in his 80s, who's kind of a sage in his field, and he said, "If I could go back to my 45-year-old self and whisper in his ears, oh, the things I'd tell him."

Bob: Sure.

Blake: So all that got me really ruminative this year about aging, and legacy, and intentionality—around being a great leader. I know that you've had a storied career and a lot of different seasons, but you've also been through some exciting things here recently, which we'll get to soon enough.

Let's start with just a recap of the seasons of your career. What are the things that you've been through and experienced? Then we'll start to unpack them.

Bob: Sure. Well, I grew up in a little town called Archer City, Texas. That's just north of Wichita Falls, or north of the Oklahoma border, basically. My brother, mother, and I were very poor, so we had to learn early on that you had to figure out how you made things work. She would be gone most of the time, and I would be fixing breakfast and stuff for my younger brother and taking care of him, making sure he got to school in time, and that kind of thing. Being a young boy myself, at seven, eight years old—that was not always the easiest lesson to learn. But what it did teach me is that you needed to pull yourself up by the bootstraps and do what you needed to do to get the job done.

I had an alcoholic father who abused me, and my mother, as well. My younger brother was very young at the time. My mother decided that was enough of that and went to go seek some help with some friends of hers. We moved out and moved away to San Diego, where we ended up moving in with some friends there, and finally got to a place where we could live on our own. We got a little house and lived there for a while. Then, my aunt and uncle from Archer City called and said, “Look, we can provide a support system for you here that you don't have out there, and a smaller town and smaller community.” So we moved back to Texas when I was in the third grade, and I grew up there from then on.

So basically, my early years were ones of trying to figure out how to be the man of the house when you're seven, eight years old, and also learning how to make things happen. I always had some kind of a money-making scheme going on somewhere. I either sold Christmas cards or there's—nobody will know what this is but—the grit newspaper. So I was doing those kinds of things to create an income so I could have some spending money, because we just didn't have any. That was my early years, growing up in a town that was relatively small, and we basically had some help around to help my mother out and keep us—that kind of thing—when she was not available.

Blake: How would you describe your mom?

Bob: My mother was a very hardworking lady. She did, again, whatever it took. We had to stay on the move a lot, because some creditor was after us, or something. So I don't have a lot of remembrance of those times, but what I do remember was not pleasant.

So again, you have to have those memories...you push them down, or get them out of your thought process, as you're trying to mature. You know, those kinds of things are details that surface from time to time with me. It's been pretty rare, but I remember one time in high school, they really came rushing back to me: that I wasn't like some of the other kids that had fathers. And who do you look up to? Where do you find your leadership skills? Where do you find the guidance to teach you how to be a man, basically? Those are the kinds of things that I was dealing with in my younger years.

Blake: What became of him, and when?

Bob: He ended up basically not ever being involved in our life. He never gave any child support. Never gave any kind of support, basically. He was run over on the side of a road in California, and I don't know a lot of the detail about it, but he ended up being killed in that accident.

Blake: How old were you?

Bob: I was probably 35 at the time.

Blake: And your brother?

Bob: My brother is an attorney. He lives in Rockwall [Texas] and has three children and a wife. He's done very well for himself and does a good job of raising his children, being a great father, and a husband to his wife, so he's done very well.

Blake: Are you close still?

Bob: Yes, we have lunch probably once or twice a month, something like that, so we get together as often as we can.

Blake: Okay. So you've obviously, in those formative years, had a lot of valley events. What would you describe as some of the peak events? What are the things that you really remember fondly that positively influenced you?

Bob: One of the things that I learned early on is that I would try to find someone I wanted to model my life after...someone who had something that I looked at and said, "That's what I want to aspire to." So there was a gentleman in Archer City, by the name of Bill Abernathy. I was headed down the wrong track. I'm gonna tell ya, at a young age, I was doing some things that I shouldn't have been doing. And I'm talking about seventh and eighth grade, so I'm not very proud of the things that I did during those years. I was already drinking and getting behind the wheel drunk, and those kinds of things. I was headed down the wrong path quickly. This guy [Bill] invited me to come out and work on his ranch for him, along with two guys I respected on the football team, who were senior to me by four or five years. Since they were *kind of* peers, I said, "Well if they're working out there, then maybe I ought to go give that a shot," and I would kind of be accepted, if you will, at that level.

So I went out there and started working for him, and he taught me a great deal, and just really helped me start forming [into] the kind of man that I wanted to be—that was a lot different from what *I* was moving toward. So [he was] a Christian man, and I saw, basically, his life being transformed right in front of me; I watched it happen myself. One day, he came in and said to me, "Bob, you know what? I don't think I have a good witness with my smoking. I'm not going to smoke anymore," and from that minute on, I never saw him taking another cigarette. He never smoked again. And I'm talking about forever since I knew him, until he passed away. He did the same thing about using the Lord's name in vain. He said they were around cowboys all the time—around that kind of environment—and when you are, it's easy to fall into that trap. But he, again, came and said, "I'm not going to do that anymore," and I never heard another curse word out of his mouth again until he passed away. He and I became business partners after I graduated from college and left the University of New Mexico.

So it was very evident that he made some real changes in my life. He and his wife basically mentored me and helped me through some teenage years to make some decisions and make some choices about direction in life that I hold dear today. So they were really special people in my life. That was a high for me. Those are the kinds of things that I spent basically my life looking for—that father figure I never had—to look toward and see if there's a person out there I could model my life after.

Based on those early encounters, I started really getting into athletics, and I pushed away friendships and people who I knew were taking me down the wrong road. I started hanging around with people who had a mission and a goal in their lives to win and be the best they could be, in an athletic perspective. That's what I started pursuing. I pursued it with everything I had, and I did okay with it. I had great years there in Archer City and ended up getting a scholarship. I played for the University of New Mexico, where I was captain and all-conference defensive back there. So, again, all that came from those kinds of early memories and early prompting from a mentor.

Blake: And so I suppose they also showed you a model for marriage.

Bob: Absolutely, yes, and again, a very solid marriage. You looked at what they provided, and you saw that they were different than other things that you saw around. You didn't see the infidelity and the arguments and those kinds of things that you see in a lot of other marriages. I mean, they had differences, but they worked those differences out. That's been another thing that I've done all my life, because they've showed me, "Hey, you make a commitment to one woman, and then honor that commitment."

Blake: Can you recall, specifically, how they treated each other? Any examples of how they talked to each other? You know, I think marriage is a great model for a lot of things that we do in life.

Bob: Absolutely, yes. I think that they had a mutual respect for one another and a mutual bond with one another. They took each other's feelings, and took each other's needs and wants into perspective, and said, "Okay, I need to bend. I need to be open to hear those kinds of things, rather than just be closed off and say *it's my way or the highway*." They did not operate that way. They were very giving to each other and very willing to see the other person's point of view.

Blake: You know, I think a lot of that is about respect.

Bob: Absolutely.

Blake: Respecting another person and his or her point of view... So, if we pause there, as you're just now in college, let's say, and you have to describe yourself—your temperament, your personality, the things that energize you, the things that drain you—how would you describe yourself? You're obviously now very purposeful, and you've got affiliation. You've got connection with a group of guys.

Bob: That bond was very good. First of all, I was a long way from home—in an environment that was very foreign to the environment of a conservative small town like Archer City, Texas—to all of a sudden Albuquerque, New Mexico—where there were hippies taking baths in the local pond at the middle of the university at the fountain. It was a wild time, as a lot of your viewers will be able to understand—free love and drugs and all kinds of things—and to a boy from Archer City, that was a pretty good culture

shock. Not only that, but you saw all the adobe buildings, and I'd scratch my head sometimes: *"What have I gotten myself into?"*

But it was exactly where God wanted me to be, and He had me there for a reason. I understand that, today, but I maybe wouldn't have understood it as much then. I didn't have a lot of counsel when I made the decision to go out there. I mean, it was a scholarship that was offered to me. I had some other options that I had turned down, but I had gotten injured when I was in high school, and New Mexico stayed with me the whole time—where these other schools didn't think that I was going to be able to recover from a knee operation, a shoulder operation, at the same time. New Mexico stayed with me the whole time. The loyalty that I had built into my DNA said, *"That's where I need to go,"* so that's how I made that decision then. So getting back to the university, it was definitely a culture shock, and again...I was in a foreign land with foreign things going on, and I had to somehow adjust and make the best of it.

Blake: Well, you'd already learned, obviously, as a seven or eight-year-old boy, to be industrious and relatively independent. Now that you're in college, would you describe yourself as disciplined? To what extent did you have your act together?

Bob: I would say, from the football standpoint, it was pretty good. Educationally, I would say, not so good. [laughter] So I was not as disciplined as I wish I would have been. As you get older, you see some of the things that you could have done better, and that was definitely one of them—to grasp your studies and do some of that stuff better than I did. But again, college, in my opinion, is not so much about learning all of the absolutes about education as it is trying to get to an end goal, and you have to work through that end goal. Now...we couldn't just *not show up* to class. I mean, you had to go to class, and you had to make a certain grade point, and as long as you did that, then you could play and keep your scholarship, but if you didn't do that, then you'd lose your scholarship. So it was always very important to me to make that grade, even though it might be right at the bottom. You do enough to get by to do what you really like to do—which was to compete, to be an athlete, and to be connected with the people that were your teammates.

Blake: So was that your primary social circle?

Bob: Yes. I started to get into a fraternity and basically went through the pledge side of it, and then decided to get married. I said, "Well, if I'm going to get married, I can't be a fraternity guy." I just was tired of the long-distance relationship with my to-be-wife Gayle, and she was way far away in Wichita Falls, Texas, and so I said, "It's time for us to get married and start our life, even though I'm not through with school." And again, a lot of the guys that I grew up with, once they got married, said, "Well, we can't do both." But I was always a type-A personality and needed to go make things happen, and then run through the wall.

Blake: How did you meet Gayle?

Bob: Gayle and I were high school sweethearts in Archer City. She and I went to the eighth grade banquet together, and I took her out then. Then we kind of lost connection with each other until I was about a sophomore, when we started dating again, and we dated until we got married.

Blake: So how would you describe her? How does she complement you?

Bob: She is totally different than I am. She's very much of a—I'm not going to say a perfectionist—I'm going to say *very detailed person*. The bottom line is all I care about. I don't care about the minutia in between the start and finish. I just need to know we started, and where's the finish line, and let's go get after that. So she helps balance me there, because she says, "Well, wait a minute. What about this? What about that?" And she has brought me back into reality a lot of times during our marriage together. She is much more of a person that's going to tell me, "Hey, you need to tell that person thank you," because thank you is way off of my radar line...because I'm not about *thank you*. I'm about: *Did we get it finished on time? Did we not get it finished?* So she tells me, "Hey, you need to go back and thank that person," and more of the touchy-feely side of the equation, which I sometimes have a hard time getting my hands around.

Blake: My wife is a great Sherpa in the social circles. [laughter] She guides me by the elbow through the whole evening and keeps me out of trouble.

When you look back—you obviously had a difficult start there—but by the time you're in college, now you're starting to get your sea legs. You're starting to find your place. You've got a purpose. You're connected to people. You're starting to presumably be successful. How good was that football team?

Bob: Well, we played for the conference championships two of the years that I was there. We weren't very good when I was a sophomore. I started as a sophomore, junior, and senior, so I had three good years. Back then, they did not allow freshmen to play on the Varsity, so you had to sit out while you were a freshman. They had a freshman team, and then they had a small schedule that you played as a freshman. So sophomore, junior, senior year...we got better and better over the years. It's kind of funny. I was teaching a Sunday school class lesson about 15-20 years ago now, and I was telling the kids that I played against guys by the name of John Riggins and Danny White, and they're asking, "Who are those people?" Oh my...I'm getting old already. Anyway, a lot of people don't even remember who those people are, but they were good football players.

It's just a time when, like you said, I was trying to really see where I wanted to go and the next step. So you know, pro-ball, I would have probably liked to do that, but when you get married, the next thing you know, you have children. So my senior year, we were just going to go play Arizona State, and my wife gave birth to our first child right before the game. As a matter of fact, I had to catch a different plane than the rest of the team took so I could be there for the birth, and then I caught up with the team there in

Tempe. So now [at this point] I'm married and have a child—I'm in college with no job and just playing football. My wife had to work, and we managed a little apartment complex there, which got our rent free, so that helped. But again, when it came time to think about the pro-football thing, I was offered a walk-on opportunity with the New Orleans Saints and decided not to do that, because I didn't have any income, and just leaving her and a child there...I didn't think it was the right thing to do. I decided not to do that and ended up playing semi-professional football for a couple of years there in Albuquerque, for a team that they started up that ended up being part of the USFL when it came online. I decided, however, at that point, it was time to hang it up and move on to what my life was going to become.

So again, another man there who helped me out was Ben Bronstein, who owns all the pancake houses there. He owned a number of restaurants, and he put me on as a manager at one of the restaurants, so I did that for a while. Ben was a very good businessman—very astute and very good with making sure that you did things right, and you did things that were profitable to the business—and so it was, again, a learning experience for me to watch and see how he operated.

Blake: It's really interesting. I run into a lot of folks who talk about the inflection points in their life and in their career, and I talk to a lot of people who describe a life of regret: *I wish I would have done this... I wish I would have stuck with that, and so forth.*

So, you're starting to assume more and more responsibility for you and Gayle and your firstborn, and I guess you're probably in the midst of wrestling with “*How hard should I go pursue this football career, or do this other job that's here, and do this other job that's here at the apartment, and the pancake houses?*” Do you have any advice for young people, men and women, who are in an inflection point in their early years, when they're wondering, “*How far should I chase this dream?*” versus “*At what point do I say, I just don't know that's going to happen, and maybe I have to do these other things?*” That's a hard thing to come to terms with. And I think it happens not only when you're 22 and 23 and 24, but when you're 43 and 44 and 45 and you feel like, “*I only have maybe one chapter left.*”

Bob: Well, again, I'm kind of torn there a little bit, because you've heard the advice and I've heard the advice: *Go do something you love; go find something that you really love, and then it's not like working anymore.* Football was like that for me. I love football, so it wasn't like work to me. But on the other side of it, you have responsibilities. You have to make some really hard decisions about, “Well, wait a minute, is this the time that I can just go have fun and let all of my other responsibilities and obligations go away, or do I, again, get down to business and figure out *how do you make this thing work*, and go make it work?” So, is that a regret today? No, and I will tell you, as I get older and have gotten older, you find out what the real toll of playing big-time football really is, and how it really impacts your body. As you are very well aware, some of these pro athletes today can barely walk and are having memory

problems and all kinds of different things that have not gone as they'd hoped. But on the other side of it, when I go talk to these guys, I say the same thing. I said the same thing to Norm Bulaich, who played at TCU, an all-American there. I saw him the other morning at church, and I said, "Boy, my body's sure beat up, and I feel the effects." And he said, "Oh, I do too." I said, "I wouldn't change a thing, would you?" He said, "No."

So, again, you look at one side of it and say, "Is it regrettable that you are having those things now?" Yes, they're regrettable now, but I wouldn't have changed it. So from a regret standpoint, I don't have a lot of regrets. Everything that I went through has made me who I am today. And when you're young, you don't see that. You only see what you're going through, and you don't see the other side of it. Well, I'm kind of at the other side, and so I see all of the things that have made me the person I am today. Had I not gone through those, I wouldn't be the same person, so I'm happy about all the events—even though some of them were unpleasant.

Blake: Interview number 11 was a woman named Susan Thoma, who care took, if you will, her husband, as he died of cancer. And it took a number of years for that process to reach its inevitable end. When I visited with her, she described at length that through the process, there comes a point where your prayers change, and you're not praying for healing. You're praying for your testimony. So when I think about young people, or people at an inflection point in their career, sometimes they're praying that this thing would work out—that I would get a ticket to the big leagues—and maybe the prayer *should be* that as they go through the seasons of adversity, it would strengthen their testimony and build their character. I think Michael Jordan said, "The difficult times don't build character; they reveal it." I love that.

Bob: Yeah, I do too.

Part Two: Career

Blake: Now, let's start to pivot. Let's get you out of college. You've managed the apartment buildings. You have the pancake house thing going on. You have a couple of men and relationships that are positively influencing your life and your character. What happens then?

Bob: Well, then, the gentleman I was telling you about earlier from Archer City and I decided to go into business there in Albuquerque. I bought a company that was in the athletic realm, and it was a sporting-goods store called Zia Sports. We created emblems for letter jackets and bowling shirts, and made patches, and did baseball uniforms for the little league baseball guys—that kind of thing. We bought that business together, and that's what we did for the next 10 years. During that process, he had a heart attack and passed away. That was devastating to me, because he was someone I leaned on a great deal spiritually and mentally to bounce things off of and talk to, and now he was no longer around. So, again, one more time, I was kind of looking and searching for *what do I do now* and *who do I look to now* to give me that next phase of life—that I don't know what that looks like yet. And so, where do I find this individual? I think I've spent my whole life, basically, looking for a father, and I looked at different individuals over that time to help me understand how you deal with things on the next level.

So we ran that business for a number of years, and I noticed that my children were getting older, and my wife's parents were getting older. We said, “We need to get back to Texas, so we can be closer there,” and so we decided to sell out and moved to Colleyville, Texas. God, in His infinite wisdom, got the business sold in a fairly quick hurry and got our house sold in a quick hurry, and the next thing you know, we show up here in Dallas, where we reconnected with a guy that was doing a lot of real estate. He wanted to fill up shopping centers with businesses, and I got involved with him to basically start another sporting-goods store here in Dallas. At the time, it was the biggest footprint. They didn't have all the things like you see now with Academy Sports and those great big footprints that are huge buildings. This was a brand new kind of thought process, and so we created this larger footprint called New Sports and then put it in one of his shopping centers. I did that for a number of years and set it all up. I took on the point-of-sale systems and the purchasing and all that kind of stuff I just took on—and basically built this thing. Then, unfortunately, the economy crashed, and all of the real estate holdings and stuff that this guy had went south on him. Everything went in the toilet here, from a business perspective. Oil prices went way down. All kinds of bad things were happening to the Texas economy back in that time in the 80s.

Blake: Yeah, with the bank collapse—and my dad was in construction too, same thing happened—from feast to famine.

Bob: So from there, I had a friend by the name of Joe Brouillette. Joe was president of a division of American Airlines at the time. He called me, and he and I talked one day, because I'd coached his kids in little league. He saw some of the drive in me and saw some things in me that said, you know, that kind of *can-do/get the job done* kind of spirit—and said, “I need to have him on my team.” So he brought me in as a consultant

at the time. I wasn't a full-time employee, and as I got in there, I took on more and more responsibility, and he said, "Well gosh, this is ridiculous that you're a consultant. We need to bring you on as a full-time employee," and that's how I got into American Airlines.

Joe ended up exiting American Airlines, and I ended up staying there and became a division president of two different divisions while I was there. This really wasn't airline-related at the time. One of them was a company that was in the training business, and we trained other people how to do TPF, which was a *transaction processing facility*, a high-end software program that American Airlines built the reservation system upon. They would teach other people in other countries how to do this, along with the stuff that was coming along at the time—Word and Excel and the brand new stuff that everybody and their brother knows how to do today. Back then, nobody knew how to do it, so it was all brand new. We were doing those training programs for people like Shell Oil Company and such.

Then, I was offered an opportunity to leave that presidency and move over into another presidency to do the revenue accounting for American every day, down in Barbados. They had about 2,500 employees who did that—some in Santo Domingo, and some in Barbados. They basically took a handwritten ticket, every day, and took the information off of it...flew down there and took the information off of it and sent it back to the revenue accounting. So, for instance, they'd know that Blake Leath flew 400 miles the day before, and his revenue was this, and he had this many miles charged to his mileage account, and that kind of stuff that we did all by hand. Bob Crandall told me at the time, when I took over that job, "You've got six months to get this business fixed up, or I'm selling it." So, we had to figure out how we were going to not only do American Airlines' business, but other people's business that needed similar kind of things—like weigh bills for Federal Express, American Express, that kind of thing—and medical applications and credit card applications. We had the employees to help take it off there, so my next challenge was how to stop the errors—because you're taking human beings—and asking them to extract this information off these tickets.

Back then, there was a new technology coming out called OCR, which is *optical character recognition*, which read stuff for you. It was very limited at the time and had errors in itself, so you had to error-check the OCR, but it was still faster than it was doing it by hand. So we created this program to do that and ended up selling it to a lot of other companies. The business flourished. I ended up making Bob happy, and hopefully the American Airlines employees—I mean stockholders—happy. But I knew that the end of that was coming, because ticketless travel was right around the corner, and I saw that coming down the line.

I got recruited away from there and took over a call center business as the CEO, where I could kind of run my own show. Bob called me into his office for an exit interview and asked why I was leaving. I said, "Well, because I'm going to triple my salary," and he said, "Well that's a good reason." [laughter] So he decided there was nothing they could do to compete with that. He asked me what I thought about the business, and I said, "Bob, you need to sell this business as soon as you can, because the valuation is as high

as it's ever going to be right now.” And so, sure enough, I leave that meeting with him, and no longer than I've gotten out of the office, than the guy—who ended up being the president at some point later on in life—Gerard Arpey—called me on the phone, and said, “What are you talking to Bob about selling this business?” I told him about it. He understood it right away, and he said, “You're exactly right.” So that's what they ended up doing. They sold the business, after I'd left, for a lot of money. They ended up doing very well.

One of the things that I'll never forget, again—always looking for that mentor, that thing that would catapult you to the next level—Bob Crandall was a master at taking complicated information, shrinking it down to the smallest denominator, and getting people to understand it. I watched that, and the way he would write his memos and things, and I was just blown away by how he could take such a complicated topic and break it down to such simple, simplified terms so that everybody could understand it. That was a great learning experience for me, as well as his ability. He was a Wharton finance guy. And I mean, he had financial controls that were bulletproof. He put some systems together where the financial controls inside American were just phenomenal. So, those are two things I took away from that opportunity to take forward in my career that really have been beneficial to me.

Blake: It sounds like you had good intuition, yourself, and Joe obviously saw something in you when he recruited you and brought you in. You know, those are high compliments to Bob Crandall, but what personal skills do you think that you had learned through football and coaching and Zia Sports—and all those sundry background activities—that lend themselves to what you did?

Bob: You know, I've been in front of a number of headhunters over the years for a lot of different reasons. And so they always—when they start breaking me down, you know... I've had the industrial psychologist do all the testing and all that kind of stuff—all of them would say, “What are you doing as the president of another company? What are you doing being somebody else's hired gun? You ought to be an entrepreneur. Everything that you've done, and the testing that we do on you, just *screams entrepreneur.*”

Well, I don't want to hear entrepreneur. I want to get that regular paycheck, and I want to move up the ladder in the corporation, because that's what you're supposed to do. You know, you start down here, and you get up here. What's complicated about that? So that was my mindset at the time, but now again, as I've gotten older and I look back, *I am an entrepreneur.* My son is an entrepreneur. I mean that's kind of what you do. You go out and say, “I don't want to be beholden to other people to tell me to go left and right. If I go left, and it's a mistake, then it's on me. Then if I go right, and it's a winner, it's on me.”

So basically, what I've done in the last part of my life is to become an entrepreneur and own my own business. Do you have the power structure and the top notch employees working for you that you've had in the past? No, you don't, but you work around it. You

figure out how to make it happen, even though you don't have those kinds of things. Those kinds of events are just one of the building blocks that have been put in place that have created who I am today—and have built the foundation that I've built my life on.

Blake: I like that: that story, that example. You know, I think it's easy to take a high-performing team and come in and assume them and sustain that. It's this Pygmalion effect, where someone comes in and takes the *Bad News Bears*, you know, or *Blindside*, or whatever it is, and they make them scrappy and gritty and give them a vision and a purpose...and everybody rises to the expectations of them.

Bob: You know, I really love that part of the corporate-side of the world is creating that vision and mission. I think we do it so wrong in the United States today. I think everybody says, “Here's the vision and mission. Like it,” instead of saying, “Hey, listen. Come in *beside* me. Come along *with* me, and let's create this mission together. Let's create this vision together, where you buy into it. I buy into it. We're all moving in the same direction.” And you know, being spoon-fed stuff—I don't agree with. I don't think it's the right way to do it. I think you get much better results when you have people who have *bought into* your system—whatever that system is. And with great football coaches—that's what happens; that's why they're so good. That's why Belichick is so good, because he gets those guys to buy into his system. It's not: “You're going to do it this way, or you're out of here.” It's: “I want you to come along with me. Here's what we're going to try to accomplish *together as a team*. Let's go get that done.”

When you own your own business, you don't get to do that a lot. You have to do a lot of the stuff that other people do for you. One of the things about being in the flooring business that I learned early on was, “Oh my gosh, where are all my good people who are jumping through hoops to make every command that I've talked about come true?” So it's a thing that you have to do, because the people in the construction industry are not going to be the same people that are going to be your IT people, your Wharton MBAs, and those kinds of people that you can get when you're in a large corporation.

Blake: Just as a personal anecdote, the church that Dawn and I go to, we chose in large part because Sunday after Sunday, when we would arrive early, we would see our pastor sweeping the floors with a broom and a dust bin. We visited a lot of other churches, where they had security detail and other people that did these things. I told my wife, “This is where I want to be,” because I think that's a role model for service, and if he's going to do that, it's going to be a great place for us to be connected.

Bob: Well, along that same line, when I bought this flooring company and I saw how people treated things differently than what I was used to in corporate America, I went out one day and had all my subcontractors, my employees, everybody, and we had a little meeting. I went out there, and I said, “Look, does anybody have a five-dollar bill?” One of the subcontractors pulled a five-dollar bill out of his pocket, and I took it and I tore it up into little bitty pieces right in front of him. I threw it on the floor, and they were all wondering what I was doing: “You took this poor guy's five dollars, and you tore

it up and threw it on the floor.” I said, “Guys, that's your money that I just put on this floor. That's your money,” and I said, “Do you see that bag of inset over there? Do you see that piece of paper that's over there on the floor that nobody wants to bend over and pick up? This is *your* company, and you get paid for being here, and we all are going to either make it or break it *together*. That's how I feel every time you break a piece of tile, because you're just throwing the box in the back of your truck, or you're not being conservative with the materials that you're out there with. Gosh, we've got three quarters of a bag of inset thrown in the trashcan. Well, that's \$17 you just threw of *my* money away...of *your* money away. So I can't give you a bonus. I can't pay you extra. I can't do anything else for you, because you're willing to just throw that in the trash can.” I ended up giving the guy his five bucks back, but still, I made a point, that in order for us to make a business that's going to be viable here, *we all have a responsibility* to watch the dollars and cents. Again, Bob Crandall's financial stewardship is very, very critical in a small business.

Blake: People get attracted to the independence of entrepreneurship and some sex appeal to it: “*I get to go off and be my own boss and do my own thing.*” But the reality is that you're up late Sunday night trying to balance the books, and Tuesday, you're calling people for receivables. You get to be the crony a lot...

Bob: and a lot of risk—I mean you've got to be willing to take a risk, and that's one of the things, that when you grow up with nothing, you have to take a risk, because if you don't, then you're going to always have nothing.

Blake: Entrepreneurship is a powerful concept. My wife majored in entrepreneurship, and she had a lot of good role models who inspired her to do that. We'll talk a little bit more about entrepreneurship. What are the kinds of things that an entrepreneur may not love doing, or that may not come naturally, but that they need to do? Perhaps it's financial stewardship, or obviously being comfortable with risk. Is there anything else that you can think of that you've seen in your own life story, or others, that differentiates a successful entrepreneur from perhaps a failing entrepreneur? I know some of it is just luck and timing...

Bob: Absolutely. And again, before, I told you that I hate detail. I want to know the start, I want to know the finish, and tell me the bottom line. I don't need to know how we get to the bottom line. I just need to know if we made money or not. So, all of the minutia inside—that is stuff that, again, back to the American Airlines days—I could not go into Bob Crandall and *not know* the detail, because he was a *master* at catching you *not knowing* the detail. If he saw that weakness, he would just tear you up. So I had to learn, even though I hated it. I hate detail. I don't want to study the detail...didn't want to look at the detail. I knew those financials back and forth. When we went into that meeting at the end of the month, I knew what my financials were. I knew what they meant, and I knew how we got there or didn't get there. So if he caught you trying to skirt around the issue, he would just absolutely undress you right there in front of all your peers. So you'd better know what they were.

So as an entrepreneur, *you have to get into the detail*. No matter if you're capable of it or not, you've got to be able to figure out how you get down to the detail, because that's part of owning a business. You've got to know what makes it run and what makes it operate, where you're failing, and where you're succeeding. I would say that, to me, that would be a very critical thing for an entrepreneur. I'm not an anal person by any stretch, but you've got to figure out how you do it—whether you're good at it, or whether you hate it, or not—you've got to learn to do it. I didn't like some of the things that I went through, but you had to go through it to get to where you are. That's just part of life. And so you learn those lessons, and you move on, and you figure out the things you have to do to get there, right?

Blake: Right. I think the way you described it, when you look back, you enjoyed football. Football was play. It was a pleasant thing. And maybe you wish you'd focused on your studies just a hair more, and the same is true as an entrepreneur. There are a lot of things about it that are fun and pleasurable, and you say, "This is exciting and gets the juices flowing," and there are other things that—late in the midnight hour—you have to sit at your computer, and balance the books, and pay people, and keep things flowing.

Bob: That's one of the things that my wife brings to the table. She does that for me so I don't have to do that, because if I had to do that, I think I would have pulled my hair out many years ago. But she brings that part to the table for me and has always.

Blake: I think that's common in entrepreneurial marriages, where people complement each other. I know the same is true for me as well.

So that we can understand the arc, then, of your professional career...so, you've left American Airlines. You mentioned the flooring company, and I know that happens at some point. What happens in between there, and what's happened since then? And what year did you leave American Airlines?

Bob: 1995. That was my final year at American, and so I got recruited from there to run a telemarketing company. I was offered the CEO role—very big salary bump and that kind of thing—so, that was the reason I left American. But then, again, I started seeing some of the things about the idea of, "Okay, well you're running the operation, but you're really not running the operation, because you've got an oversight board, and you've got a chairman that's looking over your shoulder, and you've got different people..." I saw early on that this company was way behind from a technology standpoint. They were either going to have to figure out how to step their game up from an IT perspective, or they were going to get left behind.

Just to give you an example, today there's what they call *robotic-calling*, where it calls and you hear these clicks, and so you know that this isn't a real person calling, because there's a delay there, right? Well, they had none of that. You'd pick up the phone, you'd make the dial, and if somebody answered the phone, great. If somebody didn't answer

the phone, you hung up and dialed somebody else. It was a real, live person making the calls every time, and I knew that to be proficient as a call center, you had to have some automation in place, and they had none.

So, I was building that. As I was doing that, the chairman got a little concerned about the money that I was spending and how long it was taking to get there. He would call me and question me about it, and he finally brought in a consultant who said, “You're spending so much time on your engine, your revenue engine is dying right here in front of you, and you don't even see it, because you're spending so much time to try to get that technology.” When that happened, we started having some differences there. I finally went to the chairman and said, “Look, you hired me to run this company, and I'm running it, and I'm telling you this is where you need to go. You're either going to listen to me, or you're going to listen to your consultant. It's okay with me either way, but one of us is going. Let's make that decision.” So we did, and I left. But at that point, I said to myself, “I'm tired of being beholden to somebody else. If I'm going to go out and give somebody some of my best knowledge, and they don't want to take it, then that's okay. But I'm not going to do this anymore. I'm going to go do my own thing.”

That's how I ended up finding the construction industry. In Texas at that time, it was really blowin' and goin'. It was really dynamite. Everybody was killing it in the construction industry. Just a lot of industries—oil, gas, real estate—everything was really booming. So that's how I got into the flooring business. I decided to just step out again, and I've done this a couple of times in my career. This was another time I've done it. In between, I was a consultant for a while for a company called De La Porte and Associates, and another company called Accenture. So I did some consulting stints in there, which benefitted my long-term perspective on things. But really, it was just a fill-in for a time when I was trying to find my next deal, which was to get out there and be an entrepreneur.

Blake: So, where are you today in terms of where you spend your time and the kinds of tasks and work entrepreneurship that you do?

Bob: I sold my business a couple of years ago to a company and decided that it was a good opportunity, a good time to get out again. The economy in Texas was not in good shape. It was 2008, and the real-estate industry had taken another dip. The oil business had taken a dip, and so the real-estate market had fallen off. People weren't buying homes like they had been. My business started declining a little bit from a revenue standpoint. I had to lay off a number of people, and I didn't like that feeling. I didn't like what that felt like. A bigger company came in and said, “We'd like to buy your company.” I saw that as an opportunity to do that and then go to work for that company, which I did for two years, and then my agreement with them basically ran out. I guess it was three years, but my agreement with them ran out. I said, “Okay, well that's going to do it for me. I'm going to go home and sit in the lounge chair and play golf every day I want to, and just have a good time.” Well that lasted about three days [laughter], and I said, “What in the world am I going to do tomorrow?” after the third day. I said, “I can't do this. I am not wired that way. I can't sit around and do nothing. I like golf, but I don't

like it that much. And there is nothing that I have to fill up my days...I'll start my business up again," which I did.

I had a lot of customers that started calling me again who had kept in touch with me over the years, so it was fairly easy to get back into the business. Except this time, I'm not anywhere near as driven, if you will, as I was back then, when I bought it the first time, because growth is not that important to me. Maintenance is. Customer service is important to me, to make sure that I deliver on what I can deliver on. One of the things that I talked to my friend Terry De La Porte about many years ago was that if we could ever find a business that didn't have any employees and didn't have any customers, we needed to jump right in that business—and get all we can get of that—as fast as we can. So I've got half of the equation beat. [laughter] I don't have any employees; I just have subcontractors and customers, so I've got one half of the equation done. If I get rid of the customers now, I'm golden.

To fill up my days today, I'm basically selling. We go out and make sales calls, and I deliver on my promise that we'll be out there tomorrow, at a certain time. That's one of the naive things that I thought when I got into that construction business way back when, because I went to my wife and I said, "Babe, listen, the construction industry sucks. I mean, nobody does what they said they're going to do. They don't show up when they say they're going to show up. They don't deliver what they promise when they get there—at the price agreed to—all those kinds of things. Any moron can make this thing work. Let's get into the construction business." Again, once you get in it, what do you find out? Well, a lot of the construction business is dependent on other people down the line, and if somebody tells you they're going to be there at 7:00, and you tell your customer they're going to be there at 7:00, and they don't show up till 9:00...that's two hours that you told them, and they're sitting there waiting and twiddling their thumbs, while your guy is stuck in traffic or somewhere. Because he didn't make the commitment—you did.

So those kinds of things I've kind of joked about this whole time. That's what you manage in the construction businesses—to get other people to do what you've promised that they will do. That's a challenge in the construction business, because things happen, and vehicles break down. People get sick...all those kinds of things happen. So that's kind of my day-in-and-day-out life, and it's not as stressful as it was, because I don't have any employees, so I'm not dealing with that issue. It's much easier to deal with the ups and downs of the construction industry when you don't have that piece of it to deal with.

Blake: I think you and I probably read the same book at about the same time. I don't know if you remember this, but in the late 90s, there was an author named Michael Gerber who wrote a book called *The E-Myth*. *The E-Myth* is the entrepreneurial myth that the person who's great at *starting* a company is also great at *running* and *growing* it. And often, those skill sets are in contradiction, as I think you've described a little bit throughout your career. But one of the beautiful things that he talks about in there is the transition from being an employee to being an executive, if you will, of an

enterprise. And the difference is that you work—rather at the very beginning—you start working *for* the company, and then you evolve to working *in* the company, and then you graduate to working *on* the company. And I think it's a huge epiphany for a lot of entrepreneurs and leaders when they realize, “I can be beholden to this enterprise where I can grab hold of it, and it works for me. I don't work for it.”

So, it sounds like you've cracked that code with your no-customers and no-employees; you've gotten to a place where you figured out how to work on it and have it work for you. [laughter]

Bob: One of the things that I told a couple of young guys the other day, because they're both in their early careers, was, “Look, companies are looking for people today—if your goal is to climb that ladder and to be noticed and be recognized—when you start trying to climb that ladder, what they're looking for is someone who will *take a risk* and then take *ownership of that risk*, and to be right *most* of the time. If you can figure out how to do those three things, you'll climb the ladder, because that's what they're looking for. They're not looking for the *smartest* person in the room, and you don't have to *be* the smartest person in the room, but you've got to be able to say, ‘*I'll take a risk,*’ and then, ‘*I'll take ownership of that risk,*’ and then, hopefully, ‘*I've made the right decision and we're going to go in the right direction.*” I think that's a good lesson for us all.

Blake: A good gut. I've got a friend that describes it as a *good picker*. You know, *his picker is broken, or hers works*. That's a great way to think about it...because more often than not, at least to pick it right.

You've had a tremendous career when you look back now at its entirety. You've talked a little bit about two or three gentlemen, in particular, who influenced you positively. Can you think of any other sources of influence, be it people, or books, or experiences, or just anything that you found to be pivotal?

Bob: I had a really good friend I was telling you about earlier, Terry De La Porte, who is your father-in-law. He was a very good friend to me, and we were lifelong friends. He was someone who was very influential in my life, because he took me through a training class early on about how to read people, and how do you look at them, and how do you understand their social styles... That *social styles* thing made a big impact on me. I went through that class and then became a big believer in it, and basically practiced it throughout my career. Terry was a very, very good friend, and it was a big loss when I lost him as my friend and he went to be with the Lord. Those are times that I look back very fondly on and say, “That made a huge impact in my life and my career.”

As far as other things, I've read a lot of different books: *Driven: How to Succeed in Business and in Life* [Robert Herjavek], and the “getting everybody on the bus...”

Blake: Yep, from *Good to Great* [Jim Collins].

Bob: Yes, and getting everybody to sit in the right seats, and all those kinds of things, are good metaphors that help you to understand things that you can think about from a leadership standpoint, of how you get things going in the right direction. So, I think reading is critical. From a leadership standpoint, you need to understand different perspectives, and you don't have to agree with them all. But you at least have to be able to understand that there are different perspectives out there besides your own. And you've got to be willing to open your mind to at least hear those and to understand them and to learn from them. Again, you may or may not subscribe to all of the thoughts, because they're not all correct, but there are at least things that you can say to yourself, like "that either make sense to me or it doesn't." And you check it off your list and say, "I'm going that direction," or "I'm not going that direction," and we can agree to disagree on some things, but you also can find some things—some nuggets in there—that make sense to you.

Blake: The majority of people that I've interviewed for this series are seasoned. You know, they're at the tail end of their career or literally at the end, or they've already retired. And three or four of them have mentioned the book *Halftime* by Bob Buford. In it, he describes that we live the first half of our career for success, and then the second half, or at least the second half of our life, for significance. And we touched on regret a little bit earlier in the interview, and you described that you don't have any; you sort of tied it to testimony and other things. But, if you look back now, over its entirety, is there anything you would do differently or that you wish you could go back and change?

Bob: You know, today, the millennials have a different way of raising their children than I did...again, much more disciplined, much more "I'm not your friend, I'm your parent" kind of attitude. Today, the millennials want to be their kids' friends and embrace them and coddle them... and to do some things. And again, I'm not going to judge, but time will judge to see whether that works out or not. I guess one of the regrets that I would have is that I would have maybe raised my children a little differently, in that I would have been more willing to hear their perspective on things, rather than me commanding and demanding my direction on them. My daughter and I struggled with that big time when she was in high school...

Blake: She's a strong-willed person, as I recall.

Bob: Exactly, very strong willed. My son, on the other hand, was totally different than that. He was very willing to appease. Whatever I asked him to do, he was willing to go that direction. Shannon was a contrarian, and if I told her to go right, she wanted to go left. So, I probably didn't handle her like I should have. But again, it's something that I learned over time—not that I knew at the time—because I was a young parent, and I didn't have any book that tells me, "Hey, do this, and do that." But now that I've seen the results of that, I would like to have done that a little differently.

Blake: You know, it feels akin to the epiphany you had in the early 90s with Bob Crandall, when you observed that the best way to create a vision and mission that people buy into is through *inclusion*.

Bob: Exactly.

Blake: And as a parent, we can lean onto our kids and say, “This is what I want you to be, and this is what you need to do, and this is where we're going to go,” and how it's going to happen. Or we can spend some time alongside them and help them figure that out for themselves.

Bob: One of the things that happened after she'd already kind of gone through those stages and gone off to college—that's when I was going through this psychoanalysis, if you will [laughter], and the psychologist would come in and quiz you about this—I took the social styles, and all those kind of things. So I started to see myself differently, because one of the things that came out—and I've told this story many times—was that people saw me as closed-off. They saw me as being aloof. They saw me as being *my way or the highway*, and I'm going, “Well, wait a minute. That's not who I am. That's not really who I am.” Yeah, but all these other people that were putting these assessments together were seeing me that way. *So, no matter what you think of yourself, somehow other people are seeing you differently.*

That was a big *aha-moment* for me in my life. Really a big-time *aha* that said, “Okay, wait a minute. I'm seeing myself totally differently than other people are seeing around me. I need to change that.” The industrial psychologist told me that exact thing: “*If you're going to move up the ladder, you've got to start seeing yourself like other people see you—not like you see yourself.*” So I started consciously making a *huge* push to change that.

Blake: A concerted, intentional effort...

Bob: My wife tells me, even today, that I have a tendency to fall back into that mode from time to time. But I've tried really hard in my career to say, “You've got to be willing to open yourself up where people see that you're willing to make a change.” Because my idea was always, “Look, if you bring me a compelling reason why I should make a change, or I should do something differently, then I'm willing to listen to you. I'm open to hear that.” But if you don't feel like you can come in and have that conversation with me, then that never happens. So I've got to be willing to show a side of myself that says, “Hey listen, if you've got a better idea, bring it to me. Let's talk about it. Let's discuss it.” And then, when you do that, what do you get? You get a *better* decision, because you've had that conversation...because now you've got other input other than people just leaving it all up to you.

Blake: Right. That creates a much more open environment. I think one of your key traits is that you're pretty intense, and I think that intensity for people might be, for some people, intimidating. You know, “I don't know if I want to take this to Bob. I don't know how he's going to...”

Bob: Exactly. I'm not walking through that door. [laughter]

Blake: So we're getting down to the third area here, as we near the conclusion. Now you're obviously still a father, and now you're a grandfather. You've talked a little bit about your personal epiphanies throughout the psychoanalysis of your career. Have you softened any, or are you gentler in your relationships? How do you describe yourself as a grandfather?

Bob: Yeah, you know, that's always different...your children...now you've got your grandchildren, and you have no say in what they do, and so everything's okay with them. So they can get by with murder—and no big deal. [laughter] But yes, I mean, I have softened, and I will say that from time to time, I do tend to fall back into that. But I try to catch myself in doing that, because that tendency is there...

Blake: Hard-wired...

Bob: ...and I have kind of a demeanor and my facial expression—some of that—it is very gruff and kind of in your face. So when I say something, I'm not saying it because it's an *absolute*. I'm saying it, because that's the way I say things, and if you want to come back and refute that, or you have a different opinion about that...okay, I'm good with that. See, I can soften right up. [laughter]

But I'm very passionate about...when I make a statement about the morality of the United States of America today sucks. You'd better come back and have a compelling reason why it doesn't, because that's my belief. I don't think it's very good, and I think we're going down the wrong road here, and we're going to have to make some changes or we're going to be in trouble as a country—or *are* in trouble as a country. So, that's a real strong belief I have, so if you've got a compelling argument that is going to be against that, then tell me what it is, and convince me that it's not—and let's have that debate.

Blake: Well that's a great segue into some social observations. Give me your point of view on discourse in the country, because it seems very divided and pretty tribal. Do you have any wisdom or thoughts about what this country needs to do to move forward?

Bob: The whole idea about this political correctness has gotten way, way overboard. We've got to come back to a middle ground somewhere, where it's okay for me to have a difference of opinion with you. But if I have a difference of opinion with you, I don't have to hate you because of it. I can just have a difference of opinion with you. So, like I said before, we'll just have to agree to disagree—and that's okay. You've got your belief system. I've got my belief system. It's not the same as yours, and I can live with that. What I can't live with is you hating me because I disagree with the way you believe. Because my upbringing doesn't say, "I hate you." It says, "I love you, no matter what you believe in. I would hope that you could see my point of view, but if you can't, that's okay. We'll move on, and we'll get around that." But today, it seems to me like people don't

have that mindset. It's got to be: "I don't like you, because you believe that way." I don't like the behavior, but I like *you*, and I can do that. So, on the other side of that coin, I need you to feel that same way. And if you feel that same way, man, we can make a lot of progress.

So how do we get back to that point in the United States? That's where I think the whole idea about the family breaking down, and the divorce rate, and the prayer out of school, and not being able to discuss the Bible in a classroom, and to take the Ten Commandments—I mean, who is against the Ten Commandments? Who can possibly be against the Ten Commandments, right? Those are things that we can all agree to, but yet it's a big division that you can't put the Ten Commandments on a courthouse. So, there's a big disconnect for me there, and there's that hate factor that's out there that says *if you believe that, then I hate you for it*.

Blake: Yeah, we demonize people, and we start to treat them as objects: They're things, and those people are crazy, and they're idiots. That's not the path to love, and certainly not the path to understanding.

You know, I think there's a lot of violence, obviously, and of late there's been a lot in the news about sexual harassment and those kinds of things. You have any advice or suggestions for a leader or manager about how to conduct themselves in a professional setting or in the course of their daily lives?

Bob: Yes, I do, and unfortunately, it's not a real popular opinion. Vice President Pence was accused of being a prude and out of touch, but he's not going to go have a meeting with another woman when his wife is not present. Then, just a few months later—I'm not talking six months maybe—all of this stuff breaks out in Hollywood about the sexual harassment that's going on there, and now Judge Moore in Alabama, and all those kinds of things. Well, wait a minute. You just told me that Pence was a prude and was stupid about doing that. But yet, now, if his wife is sitting there...that ain't going to happen. So that seems to me like a pretty good way to do things.

When I was at American Airlines, I did not have a meeting ever with a female in my office that there wasn't at least an HR person or another person in the room with me. I did that for a specific reason, because again, when an accusation is made, it's out there forever.

Blake: Yeah, you can't take the stain back.

Bob: And even if you've proven it not to be the case, guess what? It's still there, and you can't take it back. And once that elephant is out of the room—I mean, it's still huge, right out there—you can't put it back in the bottle. To me, that's the way you handle it, and it doesn't have to be your wife all the time. It can be other people in the room. But I'm not going to have a one-on-one meeting with someone that is not my wife where I don't have some other people around me who can verify what went on, or what didn't go on. There are so many things that are hidden and covered up, and I think they're going to be

undiscovered or rediscovered here, as we go through this process, that a lot of our Congress people, a lot of our senators, are having those kinds of issues...that you don't even know anything about.

Blake: I mean, every day, there's something more that we discover.

Bob: So I think it's a very easy solution. But if you want to be known as a prude, then that's fine with me. I'll accept that.

Blake: I agree. Well, you gave me that advice 20 years ago, and at the time, I thought, "Well why is that going to be a problem?" And then, there came a point where I had an employee who was happily married—a beautiful young woman—and she came to me and said, "By the way, my husband and I have an agreement that if I ever meet with a man, that I never do so alone." And it was powerful, and I thought, "Well good for you two." That's something that we're trying to do as well. I think that's good advice.



Part Three: Magnolia Fever & the *Fixer Upper* Phenomenon

Blake: So now, we kind of get to the very end, and you've gotten to observe the *Magnolia* fever and the *Fixer Upper* phenomenon. And as a proud Papa and Grandpa, just observations on that experience...reflections on that... What are you proud of, excited about? Anything you'd like share about it?

Bob: Well, Chip has written about this in his book, so I'm not revealing something that I don't think is not already out there in the public, so I don't mind sharing this. The *Magnolia* experience was a miracle from God. Absolutely no doubt about it, 100%, can't refute it. And I know, because I was living it. And somebody else might say that's not a miracle, but I'm telling you, it was a miracle.

Blake: As he describes it, plucked from obscurity.

Bob: Absolutely. We were going through some serious financial issues. Chip and Joanna were on the verge of bankruptcy, and they were living hand-to-mouth, day-to-day, thinking, "Today's the day that they're going to come, and everything's going to go south." And it was back in 2008. The real estate economy has gone in the toilet again, and nobody's buying homes. Chip and I went out, in our ultimate wisdom [laughter], and said, "Let's start a subdivision." So sure enough, we did, and got in the middle of it, and we got tractors lined up, and people doing streets, curbs, and gutters, and construction workers going on...and the bank comes back and says, "We're not going to be able to loan you the money that we told you we were going to loan you." We're going, "Whoa. All of this construction equipment sitting out there, and the money that we owe..." and all that kind of stuff. "How are we going do this?"

So, I was in Sunday School, and the Sunday School teacher said that when you really want to get an answer from God, you need to *fast* and *meditate*. I came home from Sunday School that day, and I talked to Gayle about it. I said, "We need to call Chip and Joanna right now and ask them to fast and to pray and meditate about what we can do," and we did that. I remember—I mean the *minute* I made the commitment, I would start to get hungry five minutes later—I mean, I'm starving to death. What about you? [laughter]

So we did it for 24 hours. You say, "Man, that's not a very big commitment," but we felt like the prayer and the time that we were thinking about it and meditating about it was sufficient. I'm not going to say it happened like a flash of light, immediately, but all of a sudden, different things started to come into place. Chip went to his guys who were owed money and said, "Look, I can't pay you. The bank has backed out on us. We can't do it. We don't have the money." I gave him some money. Joanna's family gave him some money. We paid some of the people off, so we kept the whole ball rolling. We got it to the point where we could actually put a house up. He put a house up, and it sold...took that money and paid the banks some money, paid vendors some money. Another house sold, and another house, and so the next thing you know, a church

member came up to him, out of the clear blue sky. They knew nothing about Chip and Joanna's financial condition—nothing—and said, “God told us to give you this envelope.” They handed him the envelope, and they went home and looked in it. It was \$100,000, and this church member said, “You don't have to pay us back. If you can never pay us back, it's okay.”

But one thing after the other happened that led to Joanna writing this blog. A lady in Europe picks it up, reads it, and says: “HGTV, you've got to go talk to these people in Waco. They've got something special there that they're doing that you're not seeing everywhere.” And so, sure enough, they come down and they do this pilot. The pilot *blew the lid off* of the ratings. There was something there that people saw in Chip and Joanna on TV that said, “Wow, I wish our family was like that.”

That's what our country needs. We need something wholesome. We need something that's got some kind of substance to it other than sex and violence and criminal behavior and those kinds of things. And that came through that television show. And even though HGTV was not a medium that really took on the religious side, they allowed things to come through that TV that you didn't see in other venues.

So that's how it happened. I mean, it was a miracle from God, and one thing led to the other, and the ratings just kept climbing and gave them the ability to create the silos—and even that is just unbelievable how it all came together. Just one step after the other...because we decided to get on our knees for 24 hours and surrender ourselves to what God had planned for us. And so, I don't want to make it any more complicated than that, because it's really not any more complicated than that. Things just grew out of that to the phenomenon it is today. And they have so many things going on you, just can't get count them on a single hand. When you talk about your bushel overflowing, their bushel is overflowing!

Blake: Your house will overflow...it is a powerful testimony. I hear about it in Missoula, Montana. I hear about it in Washington, DC: “Hey, have you seen this show? Have you seen these guys?”

Bob: We go up there and we volunteer when they do the Silobration every year. I drive the golf cart, and I just ask people, “Where did you come from?” *Well, we're from Oregon, and we're from Michigan, and we're from Ohio, and we're from California. We're from Maine.* This last time, I had some people from Switzerland. You came here from Switzerland? The stories are just unbelievable. One lady told Gayle that she and her daughter made a trip from California and drove to Waco from California. Three months earlier, her son was riding on a four-wheeler and flipped, and it killed him...a seven-year-old boy. She said, “We had to make this pilgrimage, because we needed to go to a place where you could get a *feeling* of love and calmness and peace.” The little girl started crying and was holding her mother's hand as she was telling the story. And there were just so many stories like that. People...like a pilgrimage. It's like people are going there to get a feeling and part of what they see on TV...*if I could have that feeling just for a little while.*

Blake: And you just can't find it in our culture anymore.

Bob: Exactly. If it could give me that kind of peace even for just a little while, then let's go make that trip. So, the stories that people tell about the impact that it's had on their lives... Another lady called me and said, "My friend is dying. She's dying of cancer. She wanted to come here, but she's just not strong enough." So we kind of became friends, and she called me and said, "Is there any way that Chip could call her?" I said, "Chip can't call. He's just got way too many things that he's doing in order to stop in his day and make the phone call, but let me call her." So I called and talked to her, and she told me that watching the show—that's what she does all day as she's getting her chemo and stuff. But just having the opportunity to minister to somebody in their final days and give them some kind of peace and solace—if you will—there's something that we all look forward to that's better than where we are, and that's where you're going to be. So we had those conversations, and it was wonderful to be a part of that and get to experience that with her. Sure enough, two or three weeks later, she passed away.

But Chip and Joanna have been able to touch so many people's lives. They just went to St. Jude's Hospital this last week, and Chip shaved his hair and his beard and is bald now, and raised \$230,000 for those kids up there. And you know, when he's up there, he's saying the same thing: "Oh my, to watch your child go through the experience that some of those kids are having to go through, and to fight that battle they're having to fight. It's just overwhelming that I can just be a small part of that peace and comfort that they feel..." And those kids, they watch the show. They say the same thing: "We watch this during our chemotherapy sessions." It's something that they can do and not ever feel threatened that some nasty things are going to happen or some violence is going to happen [on TV]. I mean, I can watch this and enjoy it and have fun watching Chip do his stupid stuff and run through walls and do the things he's doing. Seeing his kids and that kind of thing—it's powerful.

Blake: You know, I remember years ago hearing a group of people convene to talk about creating virtuous content, because our culture is starved for virtuous content. Our daughter is 15. I remember finding—you know, searching, rather—for a show that we could watch, and we landed on something that had the word *teen* in the channel's name. And there were 13-year-old girls that were sending hateful texts to each other, picking on people. I do think that's a high compliment to hear the testimony of husbands and wives who say they watch this with their kids, and they love it. You know...they love Joanna, and they love Chip. This is our favorite thing...remember that time they did this? I mean, that's powerful.

Bob: And so many husbands. You think, "What husband is going to sit down and watch this show?" And they're just as enamored with it as the women are, because they like to see Chip's antics, and they like to see what he's going to do next. Again, what you're seeing on TV is not some kind of act. That's really how they are. So that comes across as being *real* and *meaningful* and *wholesome*, and all the kinds of things that you want your family to watch—instead of some of the stuff that's on TV and these movies today.

Blake: Yeah, I was not slow coming to the party. I just didn't know it existed until about 16 or 18 months ago. And then Dawn, my wife, said, “Hey, you need to watch this thing with Chip Gaines.” “What thing?” “Oh, there's this TV show.” I find this TV show, and it's funny, it's virtuous, it's enjoyable, and so forth. And then I start getting on social media, and you start to see the impact they're having there. To follow that journey—just as an outsider sort of looking in—and seeing, yeah, the trip to Memphis. I mean, all these things. You're saying, “This is great! This is bringing people together to something that's exciting.”

Can you tell us a little about the foundation or the future? Do you know anything about what the impact might look like going forward?—the new relationship with Target, obviously.

Bob: Yeah. And again, they have a number of things that they already have in the can, so the furniture that Joanna does—the rugs and the pillows—and then now, this Target thing, the paint. So there are a lot of other things that are in the works that we don't have finalization on, but again, things will work out like they're supposed to work out. You know, this is something that Chip and Joanna didn't take lightly. They still have another 12 to 14 months of this running, because their new show starts here, I think, on the 20th or something. Whatever this next Tuesday coming up is.

Blake: Yeah, the new season starts this month [December 2017].

Bob: Exactly. And so that's got to run for, you know, six or seven months, and then they'll have reruns off of that which will run another five or six months. You know, they've got another year before you won't see them regularly on TV every day. But then, what happens between now and then? They just needed time to refresh and renew and to rethink what their next season is going to look like. And we don't know what that looks like yet. So when God reveals it to them, then it'll be something special, and something that I think will be the right thing to do.

Blake: Right. But I think, you know, beyond just the business ventures, is the cultural impact—the testimony—that has become their life and service. I think giving back and participating in community kinds of things...that you know they've done a lot of that...they'll continue to do that. That means a lot, like you said, to these kids at St. Jude, but all sorts of constituents that are starved for something positive.

Bob: They have a foundation they created that donates tons of money to different causes around, and it's kind of strange. When you get in a position like this, you have a lot of people pulling at you for your time and money. You've got to really do a good job of working through that, because you can't do it all. Just like I was saying, as unfortunate as it is, there's just not enough hours of the day to do your family, take care of your business things, and deal with everybody else's issues. So you do the thing like the guy throwing the clams back in the ocean, right? I can't throw them all back in there, but I can protect that one.

Blake: Right.

Bob: I can help that one, so that's the way they've got to think about this, and that's the way they do think about it. And they feel guilty about it sometimes. But again, I keep telling Chip, "Son, you can only do what you can do, and when God leads you a certain direction, that's the direction you need to go. Unfortunately, some people are going to be left out of that equation." But like Chip told me, "God is big enough that He can handle those people that I can't get to."

Blake: That's right, we turn it over to God. I think about when you get on an airplane—and you're familiar with this, obviously, through all your travel and your life—they talk to you about the oxygen mask, and you need to put it on yourself first, or else you're of no good to anyone else. And I, personally—Blake Leath—was encouraged when I saw them make the announcement that they were going to step back from *Fixer Upper* for however long—whatever that looks like—because, you know, your heart goes out to them. You know that they can't be everywhere all the time and be all things to all people, *and* be wonderful parents. And that window, as you described and we all know as parents, is limited. You can only influence them for such a period of time, and then it's over.

Bob: That's right.

Blake: What questions do you get asked most often about them—and about that phenomenon, that success—and what question have you never been asked that you'd love to answer?

Bob: I guess the thing that people ask the most is, "Are they really like that in real life? I mean, do they really have that much respect for each other that you see coming across on TV?" And you and I talked about this earlier in this interview—that respect that you have with your mate is very critical and very important in the longevity of your marriage. Because if you respect that person's opinion, and you look at their side as much as you look at your own side, and then are willing to be flexible and hear their issues and act on those issues, *then* you're going to get that respect that you see on TV. So that, to me, is one of the biggest questions they ask, and I'm just telling you, that's exactly the way they do it. That's what you see.

Blake: And never asked...is there anything that you wish somebody would ask that you've never been asked, or that you'd like to share or tell the world about?

Bob: It's not really a question that they ask—but *let's give them their space*. Because they're just like you...just like me...they're trying to do the best they can, and trying to do as much as they can.

Blake: It's a lot of weight and expectation. They're people first; we're all people first. You know, we hire employees, and people show up. We have a

mutual friend, Lou Romero, from years ago. I interviewed him earlier in the series, and he told me in 1993-1994, “Blake, if you're good at what you do and you're successful at it, more and more people will ask you to do more of it, and it'll be seductive. You'll feel like: *I really need to do this, and this is the right thing to do, and oh I can do this well. Let me go do it. But be careful, because in the midst of that, you can lose your family. You can lose yourself. You can lose your purpose.” So I think that empathy and that respect for them in their space—and what they're trying to accomplish, and acknowledging that season—is a profound gift that we can give to them.*

Bob: Absolutely.

Blake: Well, in conclusion, any final thoughts in terms of looking back or looking ahead, or any parting words or final shots?

Bob: As you move through life, you're going to need to be in a place where you can be flexible and be willing to take on the challenges that are going to confront you, whatever they are. They're not easy, and they're not something that you look forward to, but they are things that...those seasons pass, and a new season will come that will give you insight about the season you just went through. So, it comes for all of us. I don't care who it is. I don't care what your age is. Those things [challenges] happen to you. And so, I would just say that if you think of life that way, then it will be easier for you to see. Like you were telling me before, about “What would your 30-year-old self think about what the 65-year-old or 68-year-old that I am today says about the things?” That insight that you gained through those years is priceless, number one, but number two, it makes you who you are. It's created and molded you to the person that you are today. And if you look at it that way, then hopefully, when you're younger, you'll think about things a little differently and start challenging yourself to be something different than you are.

Set your goals. Make them achievable, but then work toward those. Then, at the end of the day, when you get to that other side, you can look back and say, “Wow, I'm glad that I did that.” But if you sit there and maintain the status quo, and don't want to go out and challenge yourself and drive yourself to be something different, then you'll always be the same as you are today. Right?

Continued on next page.

Blake: That's right. Thank you for joining me on Fireside. I enjoyed the chat.

Bob: You're very welcome. I appreciate it.

Blake: Take care.



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